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**Testimony on the Governors Budget Proposal for Medicaid  
Appropriations Committee  
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Submitted By: Stephen A. Karp, MSW**

The National Association of Social Workers, Connecticut chapter, representing over 2800 members, offers the following testimony regarding Medicaid provider rates and HUSKY A.

**MEDICAID RATES**

Low provider rates under Medicaid are the single largest impediment to enrolling a sufficient number of health care providers into the Medicaid program. Increases in rates made in the past couple of years has improved the situation though shortages of providers, especially in specialty practice fields, still exists. To reduce rates will be a major step backwards and will only lead to fewer providers willing to accept Medicaid. In a survey last year of 30 NASW members who accept HUSKY A & B, 29 cited the low fee as the number one objection with Medicaid and most said they have declined additional Medicaid clients because of the low fees. Lowering rates will leave Medicaid enrollees with theoretical coverage but not the providers to deliver the coverage.

The Affordable Care Act has dramatically increased the number of insured in our state and a majority of those new enrollees are now covered by Medicaid. Thus we now have a successful approach to getting our state residents insured however it means that more enrollees are in Medicaid. If DSS reduces the provider rates we will lose current providers at the moment when we have finally achieved increases in health insurance coverage. We need more providers not less and that will only happen by having reasonable provider reimbursement rates.

A reduction in provider rates will actually increase costs by forcing enrollees to wait for care until they are in acute need and to then seek a higher level of care that will be covered. For example we have heard from our members who are emergency room social workers that they cannot find available community based mental health care for Medicaid patients in need of immediate services. Thus emergencies rooms are becoming the default service providers, at far greater costs than what Medicaid would have paid for out-patient service.

**HUSKY**

NASW/CT opposes dropping over 34,000 enrollees on HUSKY A. The notion that these individuals can simply be moved to subsidized coverage under the health exchange is at best faulty thinking. The co-pays and deductibles under even a subsidized plan will be unaffordable to most of these enrollees. Studies have shown that for moderate income families the typical out of pocket costs for health insurance is an effective barrier to affording care. Further, it has been shown that parents who lack health coverage are less likely to have health care for their children, even if the child has coverage. Plus, it makes no sense to provide the child with health coverage but not the parent who is caring for that child.

We urge the coverage Appropriations Committee to maintain the current provider reimbursement rates and to continue to the current income eligibility under HUSKY A.